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INFORMATION REPORT

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CENTRAL INTELLIGENCE AGENCY

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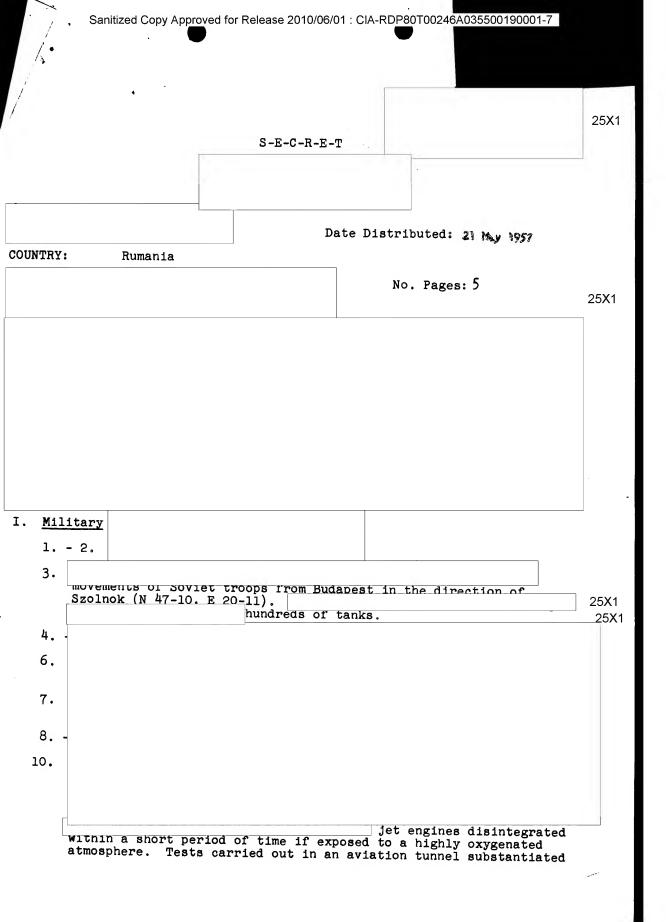
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this discovery. The military office requested approval and necessary funds to perform these tests on a particular sinfield; 25X1 millitary office recommended flying a transport plane which would discharge chemical compounds 25X1 in liquid or powder form. Such compounds would enrich the air space behind the transport plane with oxygen. A jet plane pursuing the transport plane would such in the heavily oxygenated air and the excessive heat would cause the jet engine to disintegrate in a short. unspecified period of time. 25X1 Rumanian ministeries were advised to stockpile, as a "state reserve", 12 percent of goods

and materials imported during 1957. The ministries were further ordered to replace during 1957, all goods and materials which had been withdrawn from "state reserve" stockpiles during previous years. The total sum allotted for imports to the Telecommunications Branch of the Ministry of Transportation and Telecommunication for 1957 was 5,500,000 rubles. In 1956 this branch received 7,000,000 rubles for imports, out of which 500,000 rubles went for goods stockpiled in the "state reserve".

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The old-type Rumanian uniform was to be introduced for use of Rumanian Army personnel. This plan was to be effected on 23 August 23. 1957, Rumanian national holiday. The Rumanian government decided to abandon the Soviet type uniform and revert to the old-style Rumanian Army uniform in order to keep Rumanian national feelings high.

II. Civilian

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In January 1957, security police arrested a group of employees of the "Telephone Palast" in Bucharest, the location of the 2. central switchboard and telephone administration. These particular employees were members of an underground group the group

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was small.

Telecommunication Supplies.

the police were convinced that a similar group existed within the General Directorate for

b. On about 22 April 1957, the North Vietnam exhibition in the Mageru Hall in the center of Bucharest caught fire and the entire installation burned down. This was considered to be

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sabotage because fires started simultaneously at several different places in the hall.

- Since the beginning of 1957, cooking oil, flour, and meat had become difficult to obtain because Rumanian food supplies were shipped to Hungary.
- In early 1957 construction slacked considerably, or possibly halted, at the aluminum works in the Muntii Apuseni area. This was a 25X1 temporary situation but 25X1 it would be at least one year before construction would be resumed. Construction of the aluminum works was begun about 25X1 two years ago.
- 5. there had been periodic censorship of mail entering and leaving the country for years. Censorship was performed by the security police.
- In recent months target practice on firing ranges for government and non-government employees was considerably intensified and the organization of the training program was vastly improved. 25X1 firing practice took place two afternoons a week. 25X1 Cross activity was also increased. The ALA (Aparare Locala Antiaeriana - Civilian Antiaircraft Defense) began courses in antiatomic defense; formerly only instructions against conventional weapons were given.

7. 8. 9.

The reorganization of the administration of the Rumanian Government which took place in March 1957 and considerably reduced the number of ministers caught the old Communist Party cadres by 10. surprise and left them disappointed and confused. The entire reorganization was devised and kept secret by a small, leading Communist group. Even ministers in the former government were not previously informed of the fact that they would no longer hold their positions as ministers. For example, Simulescu, the Minister of Post and Telecommunications, did not know that he would not be the minister of the newly created Ministry of Transportation and Telecommunications until the vote was taken in Parliament approving the new government reorganization. 25X1 Simulescu, who received only the position of deputy in the new ministry, was so disappointed and confused that he forgot to vote. In general, the former

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ministers who were of the old CP cadres were appointed deputy ministers, while the positions of the former deputy ministers were left unclarified. Similar events affected the remaining CP key officials, e.g., the cadre officials. The morale of the demoted CP executives dropped considerably, causing their work to slow down to a minimum. Although the government had planned to complete the reorganization by 15 April 1957, as of late April the reorganization was not completed. 25X1 the government, realizing the confusion 25X1 in the minds of the CP cadres caused by the reorganization, feared the results of such a vast undertaking and did not desire to take any further action at that time. the following officials made up the present leading Communist 25X1 clique: Gheorghiu Dej, General Secretary of the Party; Chivu Stoica, Prime Minister; Emil Bodnaras, Vice Prime Minister, General of the Army (highest military rank), and simultaneously Minister of Transportation and Telecommunications 25X1 Bodnaras was more powerful than the Minister of Defense); Chisinevski, one of the Communist Party secretaries 25X1 and a powerful figure behind the CP apparatus; and Alexandru Moghiors, Vice Prime Minister. All were members of the CP politburo.

- b. In the middle of February 1957, after the Hungarian Revolution had been completely suppressed and the situation had calmed down, the Rumanian Communist Party functionaries (not below CP district committee level) received instructions about the Communist Party policy pertaining to Yugoslavia. They were instructed to keep in mind the differences in the relationship between the two Communist Parties on one hand and the relationship between the two governments on the other hand; i.e., while the Rumanian Government's policy was friendly toward the Yugoslav government for the sake of peace, the policy of the Rumanian Communist Party continued to be hostile toward the Yugoslav Communist Party because the Yugoslav Communist Party was not considered to be a true Communist Party.
- c. At the end of February 1957 the government issued a "Decree of the Council of Ministers (HCM), No. 272, classified secret. Although this "Decree" was classified secret, some excerpts from it appeared in the daily Romania Litera, in early March 1957. The issue was recalled immediately. This "Decree" called for a large reduction in the number of government employees: all men, upon reaching the age of 60, and all women, upon reaching the age of 55, were to be retired; anyone owning land of any area was to be discharged; married women whose husbands earned approximately 900 ley were to be discharged. Secret instructions issued to CP officials (not below the level of district committee) called for even more severe handling of government employees of Jewish origin. The reason given for the severe treatment of the Jews was that as a result Rumanian national feelings would be promoted. this was only one incident of anti-Jewish policy recently initiated in Rumania. Another incident of anti-Jewish policy was the fact that permission to emigrate to Israel was reduced to a minimum. Jews were very much surprised to learn that the Communist Party

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spoke of promoting national feeling because previously, it was especially emphasized to Jewish Communist Party members that nationality and national feeling had no place in Communism. This "Decree" resulted in "the largest unemployment rate among government employees in Bucharest and all of the 16 regional capitals." As a matter of fact, it was even difficult to find jobs in 25X1 industry. As of late April 1957, the reduction in numbers of government employment was still taking place. As an example of the seriousness of this reduction the 600 employees at the main worksnops under the Telecommunications Branch of his Ministry, 70 were discharged.

d. Beginning in April 1957, the daily allowance for Rumanian officials traveling abroad on business was cut to about 48 percent of its pre-April amount; e.g., instead of receiving 68 DME as a daily allowance in East Germany, an official received 37 DEM and instead of 200 Hungarian forints as a daily allowance, an official received 90 forints.

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14. During April 1957 the entire Demonstration of the latest the

14. During April 1957, the entire Rumanian population was inoculated against typhoid fever.

15. Official propaganda was released deploring Western attitudes which allegedly sparked the Hungarian revolt, the Western stand on the Suez dispute, and particularly Eisenhower's Middle East doctrine. The word "war psychosis" was revived as a result of the propaganda.

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